

Staff Summary Report

City Council Meeting Date: 11/08/07

Agenda Item Number: ____

SUBJECT: This is the introduction and first public hearing for a Planned Area Development Overlay for CENTERPOINT ON MILL located at 640 South Mill Avenue. The second public hearing is scheduled for December 6, 2007.

DOCUMENT NAME: 20071108dsrl01

PLANNED DEVELOPMENT (0406)

SUPPORTING DOCS: Yes

COMMENTS: Request for **CENTERPOINT ON MILL (PL060549)** (Centerpoint Holdings LLC, property owner; Manjula Vaz, Gammage & Burnham, applicant) for three (3) buildings with residential, a hotel with a health club, and commercial uses; and two (2) ground level plaza buildings. The mixed use buildings range in height from 11, 17 & 20 stories, all within 4.21 acres, located at 640 South Mill Avenue, in the City Center District. The request includes the following:

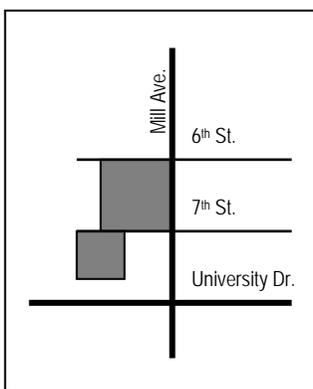
PAD07019 – Amended Planned Area Development Overlay for Centerpoint on Mill, Lots 2, 4, 5 & 6 to modify development standards for five (5) buildings consisting of 256 hotel suites, 434 dwelling units, and over 108,000 sq. ft. of commercial space within approx. 1,228,099 sq. ft. of total building area.

PREPARED BY: Ryan Levesque, Senior Planner (480-858-2393)

REVIEWED BY: Lisa Collins, Planning Director (480-350-8989)

RECOMMENDATION: Staff – Approval, subject to conditions (1-7).
Development Review Commission – Approval (5-1 vote)

ADDITIONAL INFO:



Gross/Net site area	4.21 acres
Total Building area	1,228,099 s.f.
Total Residential	434 total dwelling units
Building A	- 175 dwelling units
Building B/C	- 259 dwelling units
Hotel Suites	256 suites
Total Lot Coverage	17 % (50% maximum allowed)
Buildings:	<u>H</u> <u>A</u> <u>B/C</u> <u>J</u> <u>K</u>
Proposed Height	255' 221' 158' 30' 30'
Building setbacks	0' (0' min. required)
Landscape area	13% (no standard)
Total Bicycle Parking	241 spaces (241 minimum required)

Total Provided Shared Parking	2,997 (includes other Centerpoint and off-site lots)
Vehicle Parking On-Site	- 864 spaces (total for all phases)
Total Required Parking	2,133 min. (Phase I – 872, Phase II – 469, Phase III – 792)

This request includes a three-phased redevelopment proposal of the northwest block of Mill Avenue and 7th Street, including the existing Harkins Centerpoint Theater building. On October 3, 2007 the applicant held their noticed neighborhood meeting for input on the project. Development Review Commission recommended approval of the request on October 23, 2007.

- PAGES:**
1. List of Attachments
 - 2-3. Comments / Reasons for Approval
 - 3-4. Conditions of Approval
 - 4-7. History & Facts / Zoning & Development Code Reference

- ATTACHMENTS:**
- 1-2. Waiver of Rights and Remedies form
 3. Location Map(s)
 4. Aerial Photo(s)
 - 5-11. Letter of Explanation
 - 12-24. Summary of Public Outreach
 - 25-29. Planned Area Development: Site plan
 - 30-31. Bldg. A – Floor Plans & Elevations
 - 32-34. Bldg. B/C – Floor Plans & Elevations
 - 35-37. Bldgs. H, J, & K – Floor Plans & Elevations
 38. Overall Building Elevations
 39. Landscape Plan
 40. Massing Perspectives
 - 41-43. Shadow Study
 - 44-51. Parking Analysis

COMMENTS:

The applicant is requesting an approval for an Amended Planned Area Development Overlay for five (5) total buildings within a three (3) phased development, including three (3) buildings requesting ranging in heights from (158-255) feet, and two (2) ground level plaza buildings, all consisting of 1,228,099 square feet of commercial, residential, and hotel use. This site is located west of Mill Avenue from 6th Street to 7th Street and east of Maple Avenue, including the area east of the existing parking garage (Harkins Centerpoint building). Existing site includes a commercial building adjacent to a parking garage and the 6th/7th Street & Mill block comprised of a four-story office building and ground level commercial shops fronting Mill Avenue. Some of the notable businesses on this site include the Harkin's Theater, Uno's Pizzeria, Fat Tuesdays, Coffee Plantation and Bath and Body Works.

Project Analysis

Phase I, includes Building H, Hotel and Health Club and Buildings J and K, commercial ground plazas. Building H, the tallest of all buildings is proposed at 255 feet in total height: First floor use consists of a health club and restaurant; Floors 2-4 include additional health club uses with hotel conference space; Floors 5-20 consist of 256 total hotel suites. This building also includes additional levels of below grade parking that can be accessed from the existing parking garage. Buildings J and K are thirty (30) foot high commercial plaza buildings set to integrate the pedestrian plaza as well as provide vehicular circulation for the hotel and Chase buildings as drop-off and loading zones. As part of condition #2 in the report, staff recommends further refinements to the plaza area, avoiding conflicts with vehicular circulation to parking garages and the pedestrian environment. Suggestions include integrating commercial plaza buildings that define a friendly pedestrian area, while clearly identifying vehicular access to parking garages. Completion of final details would be determined through a future development plan review process.

Phase II, consists of a 221 foot tall building with ground level retail and up to seventeen (17) floors consisting of residential units. A total of 175 dwelling units are proposed, including three (3) levels of below grade parking. Parking is accessible on Maple Avenue. Conceivably, the existing commercial building's tenant spaces along Mill Avenue, 6th Street and 7th Street would remain in use while the phase II site is constructed.

Phase III, consists of first floor retail and restaurant totaling over 52,000 sq. ft. in floor area at the street edge (property line). Floors 2-11 step back from the first floor building façade approximately thirty (30) feet, and include residential dwellings totaling 259 units. Phase III will also consist of three (3) levels of underground parking and connect with the underground parking of Phase II, when completed. Buildings B/C and A will have access to the below grade parking along 7th Street at the southwest portion of the site, as well as on Maple Avenue.

According to the Downtown Building Heights Concept Study, accepted on April 6, 2006 by the Central City Development Committee of the Whole, Phase I, Building H is located in the area identified as the "Urban Center", with a suggested maximum height of 300 feet. Building H complies with the heights study guideline. Phases II and III are located in the area identified as the "Mill Avenue Corridor", suggesting a maximum building height of 150 feet and stepping the building back 15 feet at the 50 foot height and 10 additional feet at a 75 foot building height. Phase II, Building A does not meet the suggested height study with an additional height of approximately seventy (70) feet above the "Mill Avenue Corridor" guideline, totaling 221 feet in height, including all mechanical equipment. Phase III, Building B/C generally complies with the height study, providing a frontage step back and a portion of roof elements exceeding the suggested height. While Building A (Phase II) exceeds the Downtown Heights guideline, the building is located at the rear of the site, furthest away from Mill Avenue. Building A is also located within a transitional height zone, from buildings located along Mill Avenue recommended up to 150 feet in height to an area projected up to 300 feet in height, including already entitled developments currently under construction at 340+ feet. Based on the overall elevations and context of the area, Building A meets the spirit and intent of the Downtown Design Principles with a height acceptable to staff as proposed. The applicant has filed for FAA review, seeking determination for no hazard of proposed building heights, prepared by Williams Aviation Consultants in July of 2007.

The applicant submitted a complete Traffic Impact Analysis provided by Heffernan & Associates, which was reviewed by the City's Traffic Engineer. The study and identified traffic counts were found to be acceptable. According to the report, at the final phase of the project the traffic counts will actually decrease as a result of changes in the overall use. A shared parking model was also submitted for the projects collective parking arrangement. The current parking garage (Chase structure) and proposed new underground parking garages and Centerpoint parking agreements will provide adequate availability for commercial, hotel and residential uses including use by the general public, using the calculations provided by the consultant for the Centerpoint area.

Public Input

The Zoning and Development Code requires projects that propose a Planned Area Development Overlay must organize a neighborhood meeting regarding a proposal in order to facilitate dialogue with the adjacent community prior to public hearings. On October 3, 2007 the Centerpoint on Mill project held their required neighborhood meeting. Prior to October 3rd the applicant met several times with stakeholders in the area including the Downtown Tempe Community, nearby property owners, neighborhood association representatives from the vicinity, active residents and business tenants. See attachment on Summary of Public Outreach. A total of eight (8) meetings were organized to take public input and comments. At the Development Review Commission, four people from the public spoke in general support of the project.

Conclusion

The request complies with General Plan 2030 projected land use and residential density for this site. The Planned Area Development (PAD) Overlay implements the General Plan, by providing a mixed-use development of both commercial and residential living space, promoting the concept of live, work and play in one place. The proposed development achieves goals for in-fill development, owner-occupied housing and options to Tempe's existing housing stock.

In April of 2006, the Tempe City Council adopted the "Downtown Building Heights Concept Study". This study designated the Phase I location as an "Urban Center". With that designation, a building height up to 300 feet is an acceptable request. Phase II and III is located in an area designated as the "Mill Avenue Corridor", with recommended building height of 150 feet, including step-backs along Mill Avenue. Building B/C is consistent with the building heights study and based on the articulation of heights and overall building massing of the project. Staff recommends approval of Building A (Phase II) as meeting the spirit and intent of the heights identified in the "Downtown Building Heights Concept Study".

The integration of live, work, recreation, urban life living and commercial services will provide an asset to the longevity and success of Tempe's surrounding neighborhood and the downtown community. Staff recommends approval of the PAD subject to conditions.

REASONS FOR APPROVAL:

1. The project meets the General Plan Projected Land Use and Projected Residential Density for this site.
2. The project is within the CC, City Center District and part of the Downtown Tempe area.
3. The PAD overlay process was specifically created to allow for greater flexibility, to allow for increased heights.
4. The "Downtown Building Heights Concept Study" anticipates and supports proposed building heights.
5. The project will meet the development standards required under the Zoning and Development Code.
6. The PAD Overlay will create an innovative design while providing the flexibility of establishing project specific standards.

PAD07019

CONDITIONS OF APPROVAL:

General

1. Prior to the effective date of this ordinance, the property owner(s) shall sign a waiver of rights and remedies pursuant to A.R.S. §12-1134, releasing the City from any potential claims under Arizona's Private Property Rights Protection Act, or the zoning approval shall be null and void.
2. The applicant will work with staff to make refinements to design an overall connectivity from 7th Street to Maple Avenue that provides a cohesive path of travel for pedestrians/motorists, subject to final determination through development plan review process.

3. Building A, maximum building height, including all mechanical equipment, shall be two hundred twenty-one (221) feet.
 4. Building B/C, maximum building height, including all mechanical equipment, shall be one hundred fifty-eight (158) feet. Building height exceeding fifty (50) feet, shall be setback along Mill Avenue, fifteen (15) feet from the property line. Building height exceeding seventy-five (75) feet, shall be setback along Mill Avenue, twenty-five (25) feet from the property line.
 5. Building H, maximum building height including all mechanical equipment shall be 255 feet.
 6. The Planned Area Development Overlay shall be put into proper engineered format with appropriate signature blanks and kept on file with the City of Tempe's Development Services Department prior to issuance of building permits.
 7. An Amended Subdivision Plat is required for this development and shall be recorded prior to issuance of building permits. A Condominium Plat shall be recorded prior to an occupancy permit.
- Verify all comments by the Public Works Department, Development Services Department, and Fire Department given on the Preliminary Site Plan Reviews dated 9/08/06 and 7/18/07. If questions arise related to specific comments, they should be directed to the appropriate department, and any necessary modifications coordinated with all concerned parties, prior to application for building permit. Construction Documents submitted to the Building Safety Department will be reviewed by planning staff to ensure consistency with this Design Review approval prior to issuance of building permits.
 - Provide public art as part of this development in conformance with the Art in Private Development Ordinance and the Zoning and Development Code; see the Zoning and Development Code Sec. 4-407 and Appendix D. Contact the Cultural Services Administration if any questions regarding implementation of this requirement.
 - Measure height of buildings from top of curb along front of property (as defined by Zoning and Development Code).

HISTORY & FACTS:

June 1985	The City Council selected University Plaza (now Centerpoint) from among 10 proposals for this downtown redevelopment project.
April 30, 1987	The City Council approved for DMB Associates (Centerpoint) a zoning change from I-2, General Industrial, R-4 Multi-Family Residence General District and CCD Central Commercial District to CCD Central Commercial District, and a Preliminary P.A.D. with variances and use permits for University Plaza consisting of 1,200,000 s.f. (2,188,850 s.f. including parking garages) on 24.1 net acres at 600 S. Mill Avenue, subject to conditions.
September 17, 1987	The City Council approved for DMB Associates a Final P.A.D. and Site Plan with variances for Centerpoint, Phase I, consisting of 104,441 s.f. on 11.3 net acres, subject to conditions.
December 13, 1990	The City Council approved for Centerpoint Plaza Limited Partnership a Final P.A.D. for Centerpoint Plaza, Phase II (Chase Manhattan Bank) consisting of 416,162 s.f. on 13.34 net acres subject to conditions.
January 10, 1991	The City Council approved for Centerpoint Plaza Limited Partnership an Amended Preliminary P.A.D. consisting of 1,200,000 s.f. (2,414,340 s.f. including parking garages) on 22.6 net acres total and a Final P.A.D. for Phase II (Chase Manhattan Bank) consisting of 411,800 s.f. on 9.60 net acres, subject to conditions.
June 27, 1991	The City Council approved for Centerpoint Plaza Limited Partnership an Amended Preliminary P.A.D. consisting of 1,200,000 s.f. (2,281,495 s.f. including parking garages) on 22.6 net acres total and a Final P.A.D. for Centerpoint Plaza, Phase II (Chase Manhattan Bank) consisting of

324,663 s.f. (1,063,663 s.f. including parking garages) on 6.75 net acres, with variances & use permits, subject to conditions.

- May 21, 1992 The City Council approved for Centerpoint Plaza Limited Partnership an Amended Preliminary P.A.D. for Centerpoint Plaza consisting of 1,194,743 s.f. (2,374,086 s.f. including parking garages) on 22.58 net acres and a Final P.A.D. for Centerpoint Plaza Phase III (retail, theater and restaurant) consisting of 60,870 s.f. (including a use permit to allow parking to be provided based on demand) all subject to conditions.
- September 24, 1992 The City Council approved for Centerpoint Plaza Limited Partnership a site plan, use permit and variance to allow a 9,158 s.f. building expansion of a previously approved 48,000 s.f. theatre/retail /restaurant bldg. - in Bldg. H, subject to conditions.
- March 21, 1996 The City Council approved for Centerpoint Plaza Limited Partnership and DMB Associates, an Amended Preliminary P.A.D. consisting of 2,235,856 s.f. on 22.04 net acres and a Final P.A.D. for Phase IV- Courtyard by Marriott, including a use permit and 3 variances for a 160 -room hotel to be located at 111 West 5th Street, subject to conditions of approval.
- May 9, 1996 The City Council approved for Centerpoint Plaza Limited Partnership and DMB Associates, an Amended Preliminary P.A.D. consisting of 2,217,854 s.f. (including parking garages) on 22.04 net acres, and a Final P.A.D. for Phase V- Centerpoint Retail Bldg. "D" consisting of 51,287 s.f. on 2.21 net acres located at 740 South Mill Avenue.
- May 6, 1999 City Council approved the Final Plan of Development for Z Tejas Grill (formerly known as the Ellingson Warehouse) consisting of 6,639 s.f. of building area and a 920 s.f. outdoor patio area.
- May 6, 1999 City Council approved for Centerpoint an 7th Amended Preliminary Planned Area Development and a Final Plan of Development for the Brown-Strong-Reeve's House, consisting of 1,825 s.f. of building area.
- January 25, 2001 City Council held their second public hearing for Centerpoint Residential approving the 8th Amended Preliminary P.A.D. for a mixed-use development consisting of 793,498 s.f. of residential, flex space, office and retail on 4.79 acres, with use a permit and variances at 75 West 5th Street.
- June 5, 2002 City Council approved the 9th Amended Preliminary and Final P.A.D. for Phase VIII, with a use permit for Downtown Fire Station No. 6.
- June 15, 2004 Redevelopment Review Commission heard this application, approved a height variance for 13 additional feet, and a parking variance to reduce parking by 219 spaces. The Commission added a condition and recommended changes to other conditions prior to approval of all conditions.
- June 17, 2004 City Council approved the 10th Amended Preliminary PAD, for 725,978 square feet of mixed-use on 4.79 acres, the Final PAD for Phases 1 & 2, Lot 3 of 7a, the requested variances and recommended conditions. City Council approved the Development Agreement for 5th Street and Maple Avenue (Lot 7A), Resolution number 2004.54.
- October 18, 2005 Redevelopment Review Commission heard this request and approved the proposed 11th Amended Planned Area Development (PAD), including the following: 627,968 square feet of existing commercial development and 2,260,098 square feet of additional mixed-use development including office, retail, residential and parking structures, proposed in four phases (Phase 1 and 2 as one building of 997,915 square feet, Phase 3 as one building of 603,580

square feet, and Phase 4 as one building of 658,603 square feet), for a total of 2,888,066 square feet of development within 22.04 net acres at Centerpoint. The four phases of Centerpoint Residential will be located on Centerpoint Plaza Two (Lot 1) and will provide 788 residences on 4.65 net acres.

- November 17, 2005 City Council held a second public hearing and approved the above requested Amended Planned Area Development (PAD).
- May 17, 2006 Development Services administratively approved the 12th Amended Preliminary P.A.D. and Amended Final P.A.D. for Phase II - Parking Garage No. 2. to relocate and modify parking lot for high-profile vehicles, including reduction of PAD boundary acquired to Cosmo building (A.K.A. Mosaic)
- April 23, 2007 Development Services administratively approved the 13th Amended PAD for Centerpoint – Lot 7B, for an extension of 6th Street through the Marriott property to Ash Avenue.
- October 3, 2007 Centerpoint on Mill project holds official neighborhood meeting on proposed phased development.
- October 23, 2007 Development Review Commission recommend approval for CENTERPOINT ON MILL (PL060549) for three (3) buildings with residential, a hotel with a health club, and commercial uses and two (2) ground level plaza buildings, ranging in height from 1, 11, 17 & 20 stories, all within 4.21 acres, located at 640 South Mill Avenue, in the City Center District.

ZONING AND DEVELOPMENT CODE REFERENCE:

Section 6-305, Planned Area Development (PAD) Overlay districts